

COMMUNITY DEVELOPMENT COMMISSION

of the County of Los Angeles

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ADOPTED

Community Development Commission

#1-D MARCH 29, 2011

SACHI A. HAMAI EXECUTIVE OFFICER

March 29, 2011

The Honorable Board of Commissioners Community Development Commission of the County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Dear Commissioners:

APPROVE LEASE OF PROPERTY TO SOUTH CENTRAL FARMERS HEALTH AND EDUCATION FUND FOR THE DEVELOPMENT AND OPERATION OF A COMMUNITY GARDEN IN UNINCORPORATED WEST ATHENS/WESTMONT (DISTRICT 2) (3 VOTE)

SUBJECT

This letter recommends that your Board authorize the Executive Director to enter to into a ground lease with South Central Farmers Health and Education Fund (Developer) for the property located at 10500 S. Normandie Avenue and 1344 W. 105th Street (Property) in unincorporated West Athens/Westmont. The Developer will work with the Commission to design and operate a community garden at the Property.

IT IS RECOMMENDED THAT YOUR BOARD:

- 1. Find that the lease of this Property for development of a community garden is exempt from the California Environmental Quality Act (CEQA), as described herein, because the activities will not have the potential for causing a significant effect on the environment.
- 2. Authorize the Executive Director or his designee to negotiate, execute, and if necessary, terminate the attached three-year Ground Lease and all related documents or amendments with the Developer, for the sum of \$1 per year, for the development and operation of a community garden at 10500 S. Normandie Ave. and 1344 W. 105th Street in unincorporated West Athens/Westmont, following approval as to form by County Counsel.
- 3. Authorize the Executive Director or his designee to extend the Ground Lease for up to an additional five years, following approval as to form by County Counsel.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to authorize the Executive Director to negotiate and execute a Ground Lease with the Developer, to design and operate a community garden with assistance from Commission staff.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund. In consideration of the benefits that will be made available to the community, the Property will be leased to the Developer for \$1.00 per year.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Commission purchased part of the Property in 1998, and the remainder in 2001. The Property is approximately 26,000 square feet. For several years, the Commission worked with the Los Angeles Unified School District and Century Housing (a non-profit developer) to develop a childcare center on the Property; however, due to the lack of available capital financing, the development options have proven unfeasible.

The Commission has remediated the site to remove lead contaminates, and will be preparing it for the development of a community garden. A Ground Lease will be executed between the Developer and the Commission. The Commission will provide limited operational oversight and the day-to-day administration of the garden will be the sole responsibility of the Developer.

The Developer will work with Commission staff to design the community garden. The Developer will also design a training program, which will provide community participants with information on how to cultivate their plots and the nutritional value of the crops harvested. Enrollment preferences for the training program will be given to senior households residing at affordable senior housing developments on 105th Street.

The initial Ground Lease term is for three years with an option to extend for an additional five years.

ENVIRONMENTAL DOCUMENTATION

Development of the community garden is exempt from the provisions of CEQA pursuant to State CEQA Guidelines Section 15304 because it involves a minor alteration to the condition of the property and does not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the Ground Lease will improve this vacant site and provide additional amenities for County residents in the surrounding community.

The Honorable Board of Supervisors 3/29/2011 Page 3

Respectfully submitted,

SEAN ROGAN

Executive Director

SR:cr

Enclosures

GROUND LEASE

by and between the

COMMUNITY DEVELOPMENT COMMISSION OF THE COUNTY OF LOS ANGELES

a public body corporate and politic

as Landlord

and

SOUTH CENTRAL FARMERS HEALTH AND EDUCATION FUND

A California Nonprofit Public Benefit Corporation as Tenant

Dated as of		

TABLE OF CONTENTS

RECITALS	
ARTICLE 1: DEFINITIONS	3
ARTICLE 2: TERM	4
ARTICLE 3: FINANCING	5
ARTICLE 4: RENT	5
ARTICLE 5: LANDLORD COVENANTS	5
ARTICLE 6: TENANT COVENANTS	
ARTICLE 7: RESERVED	<i>6</i>
ARTICLE 8: CONDITION OF SITE - "AS IS"	<i>6</i>
ARTICLE 9: IMPROVEMENTS AND PERMITTED USES	<i>6</i>
ARTICLE 10: CONSTRUCTION OF IMPROVEMENTS	7
ARTICLE 11: COMPLETION OF IMPROVEMENTS	9
ARTICLE 12: CHANGES TO THE IMPROVEMENTS	10
ARTICLE 13: RESERVED	10
ARTICLE 14: ASSIGNMENT, SUBLEASE OR OTHER	
ARTICLE 15: TAXES	11
ARTICLE 16: UTILITIES	11
ARTICLE 17: MAINTENANCE	12
ARTICLE 18: LIENS	
ARTICLE 19: GENERAL REMEDIES	12
ARTICLE 20: DAMAGE AND DESTRUCTION	14
ARTICLE 21: DAMAGE TO PERSON OR PROPERTY; HAZARDOUS MATER	IALS;
INDEMNIFICATION	
ARTICLE 22: INSURANCE	
ARTICLE 23: COMPLIANCE WITH SITE-RELATED AND LEGAL REQUIREM	ENTS
ARTICLE 24: ENTRY	
ARTICLE 25: RESERVED	
ARTICLE 26: RESERVED	
ARTICLE 27: CONDEMNATION AND TAKINGS	
ARTICLE 28: ESTOPPEL CERTIFICATE	
ARTICLE 29: RESERVED	
ARTICLE 30: NONDISCRIMINATION	21
ARTICLE 31: COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM	
REQUIREMENTS	22
ARTICLE 32: COMMISSION REQUIREMENTS	
ARTICLE 33: RESERVED	22
ARTICLE 34: CONFLICT OF INTEREST	
ARTICLE 35: NO PERSONAL LIABILITY	
ARTICLE 36: ENERGY CONSERVATION	
ARTICLE 37: WAIVER	
ARTICLE 38: RECORDS	23
ARTICLE 39: NOTICES AND CONSENTS	
ARTICLE 40: COMPLETE AGREEMENT	
ARTICLE 41: HEADINGS	24

ARTICLE 42:	SUCCESSORS AND ASSIGNS	24
	TIME	
	PARTIAL INVALIDITY	
	APPLICABLE LAW	
	EXECUTION IN COUNTERPARTS	
ARTICLE 48:	RESERVED	25
	ATTACHMENTS	

GROUND LEASE

This GROUND LEASE ("Ground	Lease") is entered into this	day of
,by and between the CC	MMUNITY DEVELOPMEN	NT COMMISSION OF THE
COUNTY OF LOS ANGELES, a public b	oody corporate and politic ("Landlord" or "Commission")
and SOUTH CENTRAL FARMERS HEA	ALTH AND EDUCATION F	UND, A California Nonprofit
Public Benefit Corporation (the "Tenant")). Landlord and Tenant sh	all sometimes hereinafter be
individually referred to as "Party" and coll	lectively referred to as "Par	ties".

RECITALS

- A. The Community Garden Project will be located at 10500 S. Normandie Avenue, Los Angeles, California 90044 (the "Site"). Tenant will develop a community garden with approximately 86 plots that shall be no larger than 105 square feet each that will be utilized by a minimum of 51% low income households, whose household incomes do not exceed eighty percent (80%) of Area Median Income ("AMI") as defined by the United States Department of Housing and Urban Development ("HUD") for the Los Angeles–Long Beach Metropolitan Statistical Area, adjusted for family size (the "Project").
- B. The Landlord, on the basis of the foregoing and the undertakings of the Tenant pursuant to this Ground Lease, is willing to lease the Site to the Tenant for the purpose of developing and operating the Project in accordance with the provisions of this Ground Lease.
- C. As evidenced by this Ground Lease, Tenant has agreed to comply with the Commission requirements as included in this Ground Lease.

NOW THEREFORE, in consideration of the mutual obligations of the parties hereto, the Landlord hereby leases to Tenant, and Tenant hereby leases from the Landlord, the Site, for the term, and subject to the terms, covenants, agreements and conditions hereinafter set forth, to each and all of which the Landlord and Tenant hereby mutually agree.

ARTICLE 1: DEFINITIONS

Terms used herein have the meanings given them when first used or as set forth in this Article 1, unless the context clearly requires otherwise.

- 1. **Agreement Date** means the date that this Ground Lease is deemed to be entered into and effective, as set forth on the cover page.
- 2. **Area Median Income (or "AMI")** means the median household or family income for the Los Angeles Long Beach Metropolitan Statistical Area as defined by the United States Department of Housing and Urban Development.
- 3. **Commission** means the Community Development Commission of the County of Los Angeles, a public body, corporate and politic and includes any successor public agency designated by or pursuant to law. The Commission is the owner of the Site.
- 4. Community Development Block Grant (or "CDBG") means the Community Development Block Grant Program as authorized under Title I of the Housing and Community Development Act of 1974, as amended. The CDBG program was enacted in 1974 under the Housing and Community Development Act.
- 5. **Critical Activity(ies)** means an activity or activities or items of work identified in the Schedule of Performance (Attachment 2) which, if delayed or extended, will delay Substantial Completion or the Final Completion Date.
- 6. **Fee Estate** means the fee interest, right and title held by the Landlord in the Site, which is being leased to Tenant pursuant to this Ground Lease.

- 7. **Ground Lease** means this Ground Lease of the Site to the Tenant from the Landlord, as amended from time to time.
- 8. **Improvements** mean all physical construction, including all structures, fixtures and other improvements to be constructed on the Site.
- 9. Landlord means the Commission and its successors and assigns.
- 10. Lease Year means each calendar year during the term hereof, beginning on January 1 and ending on December 31, provided that the "First Lease Year" shall commence on the Effective Date and continue through December 31st of that same calendar year. Furthermore, the "Last Lease Year" shall end upon the expiration of the term hereof.
- 11. **Leasehold Estate** means the leasehold interest, right and title held by the Tenant pursuant to and created by this Ground Lease.
- 12. **Premises** mean the Site together with any Improvements thereon.
- 13. **Project** means the community garden that will be utilized by a minimum of 51% low income households, whose household incomes do not exceed eighty percent (80%) of AMI as defined by HUD for the Los Angeles–Long Beach Metropolitan Statistical Area, adjusted for family size.
- 14. **Public Agencies** mean Los Angeles County, the Housing Authority of the County of Los Angeles and the Community Development Commission of the County of Los Angeles.
- 15. **Site** means the real property shown in the Site Legal Description, (Attachment 1).
- 16. **Tenant** means SOUTH CENTRAL FARMERS HEALTH AND EDUCATION FUND, A California Nonprofit Public Benefit Corporation
- 17. **Low Income Households** means households whose gross annual household incomes do not exceed eighty percent (80%) of AMI, adjusted by size and other adjustment factors allowed by HUD for the Los Angeles-Long Beach Metropolitan Statistical Area, adjusted for family size.

Whenever an Attachment is referenced, it means an attachment to this Ground Lease unless otherwise specifically identified. Whenever a section, article or paragraph is referenced, it is a reference to this Ground Lease unless otherwise specifically referenced.

ARTICLE 2: TERM

- (a) <u>Initial Term.</u> The term of this Ground Lease shall commence upon the Agreement Date and shall end three (3) years from that date. The initial term may also be extended pursuant to section (b) below.
- (b) Option for Extension. Provided that the Tenant is not in default of the terms of its obligations to the Commission either at the time of giving an Extension Notice, as described in subparagraph (c) below, or on the last day of the term (the "Termination Date"), the term of this Ground Lease may be extended at the option of the Tenant for one five (5) year period as provided below.
- (c) <u>Notice of Extension.</u> Not later than one hundred eighty (180) days prior to the Termination Date, the Tenant may notify the Landlord in writing that it wishes to exercise its option to extend the term of this Ground Lease (an "Extension Notice"). The extended term shall be for five (5) years from the Termination Date, which option the Tenant may exercise only once, for a total Ground Lease term not to exceed eight (8) years.

ARTICLE 3: FINANCING

(a) Tenant shall submit to the Landlord in accordance with the dates specified in the <u>Schedule of Performance</u>, Attachment 2, for approval by the Landlord, evidence satisfactory to the Landlord that Tenant has sufficient capital and commitments for development and operations of the community garden and/or such other evidence of capacity to proceed with the development and operation of the garden in accordance with this Ground Lease, as is acceptable to the Landlord.

ARTICLE 4: RENT

4.01 Annual Rent

- (a) Tenant shall pay the Landlord ONE DOLLAR (\$1.00) per year for lease of the Site for the Initial Term of the Ground Lease, without offset of any kind and without necessity of demand, notice or invoice from the Landlord (together, "Annual Rent"). Tenant may pay rent for the initial term upfront, upon execution of the Ground Lease. Prior to the Termination Date and if the Landlord and Tenant elect to extend the Ground Lease, the Annual Rent effective as of the Termination Date may be re-determined pursuant to section (b) below.
- (b) If the Landlord and Tenant elect to extend the term of this Ground Lease, Annual Rent during any such extended term shall be set by mutual agreement of the parties.

4.02 Triple Net Lease

This Ground Lease is a triple net lease and the Tenant shall be responsible to pay all costs, charges, taxes, impositions and other obligations related thereto. If the Landlord pays any such amounts, whether to cure a default or otherwise protect its interests hereunder, the Landlord will be entitled to be reimbursed by Tenant the full amount of such payments as additional rent within thirty (30) days of written demand by Landlord. Failure to timely pay the additional rent shall be an Event of Default.

ARTICLE 5: LANDLORD COVENANTS

The Landlord is duly created and validly existing in good standing under the Law, and has full right, power and authority to enter into and perform its obligations under this Ground Lease.

ARTICLE 6: TENANT COVENANTS

Tenant covenants and agrees for itself, and its successors and assigns to or of the Site, or any part thereof, that:

6.01 Authority

Tenant is a California Nonprofit Public Benefit Corporation and has full rights, power and authority to enter into and perform its obligations under this Ground Lease.

6.02 Use of Site and Rents

During the term of this Ground Lease, Tenant and such successors and assigns shall comply with the following requirements:

6.02(a) Permitted Uses

Tenant shall devote the Site to, exclusively and in accordance with, the uses specified in this Ground Lease, as specified in Article 9 hereof, which are the only uses permitted by this Ground Lease.

6.02(b) Non-Discrimination

Tenant shall not discriminate against or segregate any person or group of persons on account of race, color, creed, religion, ancestry, national origin, sex, gender identity, marital or domestic partner status, sexual orientation or disability (including HIV or AIDS status) in the sale, lease, rental, sublease, transfer, use, occupancy, tenure or enjoyment of the Site or the Improvements, or any part thereof, nor shall Tenant itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy, of Residential Occupants, subtenants or vendees on the Site or Improvements, or any part thereof, except to the extent permitted by law, required to comply with the provisions of the Articles hereof, or required by funding source.

6.02(c) RESERVED

6.02(d) Access for Disabled Persons

Tenant shall comply with all applicable laws providing for access for persons with disabilities, including, but not limited to, the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973.

6.03 Landlord Deemed Beneficiary of Covenants

In amplification, and not in restriction, of the provisions of the preceding subsections, it is intended and agreed that the Landlord shall be deemed beneficiary of the agreements and covenants provided in this Article 6 for and in its own right and also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit such agreements and covenants have been provided. Such agreements and covenants shall run in favor of the Landlord for the entire period during which such agreements and covenants shall be in force and effect, without regard to whether the Landlord has any time been, remains, or is an owner of any land or interest therein to, or in favor of, which such agreements and covenants relate. The Landlord shall have the right, in the event of any breach of any such agreements or covenants, in each case, after notice and the expiration of cure periods, to exercise all the rights and remedies and to maintain any actions at law or suits in equity or other proper proceedings to enforce the curing of such breach of covenants, to which it or any other beneficiaries of such agreements or covenants may be entitled.

ARTICLE 7: RESERVED

ARTICLE 8: CONDITION OF SITE - "AS IS"

Neither the Landlord, nor any employee, agent or representative of the Landlord has made any representation, warranty or covenant, expressed or implied, with respect to the Site, its physical condition, the condition of any improvements, any environmental laws or regulations, or any other matter, affecting the use, value, occupancy or enjoyment of the Site other than as set forth explicitly in this Ground Lease, and the Tenant understands and agrees that the Landlord is making no such representation, warranty or covenant, expressed or implied; it being expressly understood that the Site is being leased in an "AS IS" condition with respect to all matters.

ARTICLE 9: IMPROVEMENTS AND PERMITTED USES

9.01 Scope of Development and Schedule of Performance

Tenant agrees to undertake and complete all development of the Site, if any, as approved by the Landlord, in accordance with the <u>Schedule of Performance</u>, <u>Attachment 2</u> to this Ground Lease.

9.02 Permitted Uses and Occupancy Restrictions

(a) A community garden with approximately 86 plots that will be no larger than 105 square feet each and that will be utilized by a minimum of 51% low income households, whose household incomes do not exceed eighty percent (80%) of Area Median Income ("AMI") as defined by the United States Department of Housing and Urban Development ("HUD") for the Los Angeles–Long Beach Metropolitan Statistical Area, adjusted for family size (the "Project").

ARTICLE 10: CONSTRUCTION OF IMPROVEMENTS

10.01 General Requirements and Rights of Landlord

Construction documents for the construction of the Improvements by Tenant (the "Construction Documents") shall be prepared by a qualified person and shall be in conformity with this Ground Lease including any limitations established in the Landlord's approval of the schematic drawings, if any, preliminary construction documents, and final construction documents for the Premises, and all applicable Federal, State and local laws and regulations. If an architect is needed, the architect shall be licensed by the State of California and use, as necessary, members of associated design professions, including engineers and landscape architects.

10.02 Landlord Approvals and Limitation Thereof

The Construction Documents must be approved by the Landlord in the manner set forth below.

10.02(a) Compliance with Ground Lease

The Landlord's approval with respect to the Construction Documents is limited to determination of compliance with this Ground Lease, including, if applicable, the <u>Scope of Development (Attachment 3)</u>. The Construction Documents shall be subject to general architectural review and guidance by the Landlord as part of this review and approval process.

10.02(b) Landlord Does Not Approve Compliance with Construction Requirements

The Landlord's approval is not directed to engineering or structural matters or compliance with building codes and regulations, the Americans with Disabilities Act, or any other applicable State or Federal law relating to construction standards or requirements.

10.02(c) Landlord Determination Final and Conclusive

The Landlord's determination respecting the compliance of the Construction Documents shall be final and conclusive (except that it makes no determination and has no responsibility for the matters set forth in Section 10.02(b), above).

10.03 Construction to be in Compliance with Construction Documents and Law

10.03(a) Compliance with Landlord Approved Documents

The construction shall be in strict compliance with the Landlord-approved Construction Documents.

10.03(b) Compliance with Local, State and Federal Law

The construction shall be in strict compliance with all applicable local, State and Federal laws and regulations.

10.04 Approval of Construction Documents by Landlord

Tenant shall submit and the Landlord shall approve or disapprove within 45 calendar days the Construction Documents referred to in this Ground Lease within the times established in the Schedule of Performance (Attachment 2) of this Agreement.

10.05 Disapproval of Construction Documents by Landlord

If the Landlord disapproves the Construction Documents in whole or in part as not being in compliance with Commission Requirements or this Ground Lease, Tenant shall submit new or corrected plans which are in compliance within thirty (30) days after written notification of disapproval, and the provision of this section relating to approval, disapproval and resubmission of corrected Construction Documents shall continue to apply until the Construction Documents have been approved by the Landlord.

10.06 Final Construction Documents to be Approved by Landlord

The Final Construction Documents, including all drawings, specifications and other related documents necessary for the construction of the Improvements in accordance with the requirements of this Ground Lease must be approved by the Landlord.

10.07 Issuance of Building Permits

Tenant shall have the sole responsibility for obtaining all necessary building permits and shall make application for such permits directly to the necessary County departments. Tenant shall report permit status every ninety (90) days to the Landlord. Failure to timely file and to diligently pursue issuance of permits shall be a breach of this Ground Lease. Landlord will provide all necessary authorizations for the Tenant to obtain all necessary entitlement approvals, if any, and building permits

10.08 RESERVED

10.09 Landlord Approval of Changes after Commencement of Construction

Once construction has commenced, the only Construction Documents matters subject to further review by the Landlord will be requests for any material changes in the Construction Documents which affect matters previously approved by the Landlord. For purposes of determining materiality in the Construction Documents, any single change order of \$10,000 or more in value and any change order which causes the aggregate value of all change orders to exceed \$30,000 shall be considered material and require the Landlord's prior written approval unless waived by the Landlord. Permission to make such changes shall be requested by Tenant in writing directed to the Landlord, and if to Landlord, Attention: Housing Development Manager. The Landlord shall reply in writing giving approval or disapproval of the changes within ten (10) business days after receiving such request. If the request is disapproved, the reply must specify the reasons for the disapproval.

10.10 Times for Construction

Tenant agrees for itself, and its successors and assigns to or of the Leasehold Estate or any part thereof, that Tenant and such successors and assigns shall promptly begin and diligently prosecute to completion the development of the Site through the construction of the Improvements thereon, and that such construction shall in any event commence and thereafter diligently continue and shall be completed no later than June 30, 2011, unless such dates are extended by the Landlord.

10.11 Force Majeure

For the purposes of any of the provisions of this Ground Lease, neither the Landlord nor Tenant, as the case may be, shall be considered in breach or default of its obligations, nor shall there be deemed a failure to satisfy any conditions with respect to the beginning and completion of construction of the Improvements, or progress in respect thereto, in the event of enforced delay in the performance of such obligations or satisfaction of such conditions, due to unforeseeable causes beyond its control and without its fault or negligence, including, but not restricted to, acts of God, or of the public enemy, acts of the Government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, general scarcity of materials and unusually severe weather or delays of subcontractors due to such causes; it being the purpose and intent of this provision that in the event of the occurrence of any such enforced delay, the time or times for the satisfaction of conditions to this Ground Lease including those with respect to construction of the Improvements, shall be extended for the period of the enforced delay; provided, however, that the party seeking the benefit of the provisions of this paragraph shall have notified the other party thereof in writing of the cause or causes thereof within thirty (30) days after the beginning of any such enforced delay and requested an extension for the period of the enforced delay; and, provided further, that this paragraph shall not apply to, and nothing contained in this paragraph shall extend or shall be construed to extend, the time of performance of any of Tenant's obligations to be performed prior to the commencement of construction, nor shall the failure to timely perform precommencement of construction obligations extend or be construed to extend Tenant's obligations to commence, prosecute and complete construction of the Improvements in the manner and at the times specified in this Ground Lease.

10.12 Reports

Subsequent to commencement of construction of the Improvements and until completion, Tenant shall make a report in writing to the Landlord every month, in such detail as may reasonably be required by the Landlord, as to the actual progress of the Tenant with respect to such construction, unless such reports are determined to be duplicative. During such period the work of the Tenant shall be subject to inspection by representatives of the Landlord, at reasonable times and upon reasonable advance notice.

10.13 Access to Site

Tenant shall permit access to the Site to the Landlord whenever and to the extent necessary to carry out the purposes of the provisions of this Ground Lease, at reasonable times and upon reasonable advance notice.

10.14 Notice of Completion

If necessary, promptly upon completion of the construction of the Improvements in accordance with the provisions of this Ground Lease, Tenant shall submit to Landlord for approval a Notice of Completion ("NOC"), and record such approved NOC in the Los Angeles County Recorder's Office. Tenant shall provide Landlord with a copy of the recorded NOC.

ARTICLE 11: COMPLETION OF IMPROVEMENTS

11.01 Certificate of Completion - Issuance

Promptly after completion of the construction of the Improvements in accordance with the provisions of this Ground Lease, and upon the request of Tenant, the Landlord will furnish Tenant with an appropriate instrument so certifying (Certification of Completion). Such Certification of Completion by the Landlord shall be a conclusive determination of satisfaction

and termination of the agreements and covenants of this Ground Lease with respect to the obligation of Tenant, and its successors and assigns, to construct the Improvements in accordance with Landlord approved Final Construction Documents and the dates for the beginning and completion thereof; provided, however, that such determination shall only be withheld because of failure to carry out specific requirements of this Ground Lease; provided further, that such certification and such determination shall not constitute evidence of compliance with or satisfaction of any obligation of Tenant to any Lender, or any insurer of a mortgage, securing money loaned to finance the construction or any part thereof; provided further, that Landlord issuance of any Certificate of Completion does not relieve Tenant or any other person or entity from any and all County or local jurisdiction requirements or conditions to occupancy of the Improvements, which requirements or conditions must be complied with separately.

11.02 Certification of Completion - Non-Issuance Reasons

If the Landlord shall refuse or fail to provide any certification in accordance with the provisions of Section 11.01, the Landlord shall provide Tenant with a written statement, within fifteen (15) days after written request by Tenant, indicating in adequate detail in what respects Tenant has failed to complete the construction of the Improvements in accordance with the provisions of this Ground Lease or is otherwise in default hereunder and what measures or acts will be necessary, in the opinion of the Landlord, for Tenant to take or perform in order to obtain such certification.

ARTICLE 12: CHANGES TO THE IMPROVEMENTS

12.01 Post Completion Changes

The Landlord has a particular interest in the Site and in the nature and extent of the permitted changes to the Improvements. Accordingly, it desires to and does hereby impose the following particular controls on the Site and on the Improvements: during the term of this Ground Lease, neither Tenant, nor any voluntary or involuntary successor or assign, shall make or permit any change in the Improvements, as change is hereinafter defined, unless the express prior written consent for any change shall have been requested in writing from the Landlord and obtained, and, if obtained, upon such terms and conditions as the Landlord may require. The Landlord agrees not to withhold or delay its response to such a request unreasonably.

12.02 Definition of Change

'Change' as used in this Article means any alteration, modification, addition and/or substitution of or to the Site, the Improvements, and/or the character of development which differs materially from that which existed upon the completion of construction of the Improvements in accordance with this Ground Lease

12.03 Enforcement

The Landlord shall have any and all remedies in law or equity (including without limitation restraining orders, injunctions and/or specific performance), judicial or administrative, to enforce the provisions of this Article 12, including without limitation any threatened breach thereof or any actual breach or violation thereof.

ARTICLE 13: RESERVED

ARTICLE 14: ASSIGNMENT, SUBLEASE OR OTHER

14.01 Assignment, Sublease or Other Conveyance by Tenant

Tenant may not sell, assign, convey, sublease, or transfer in any other mode or form all or any part of its interest in this Ground Lease or in the Improvements or any portion thereof, other than to Lender(s), or allow any person or entity to occupy or use all or any part of the Site, other than leases to residential tenants in the ordinary course of business and, as applicable, commercial tenants, nor may it contract or agree to do any of the same, without the prior written approval of the Landlord, which approval shall not be unreasonably withheld or delayed. Tenant may sell, assign, convey, sublease or transfer its interests in this Ground Lease and in the Improvements to a nonprofit public benefit corporation affiliate of Tenant or its successor in interest with prior thirty (30) day written notice to the Landlord.

14.02 Assignment, Sublease or Other Conveyance by Landlord

The parties acknowledge that any sale, assignment, transfer or conveyance of all or any part of the Landlord's interest in the Site, the Improvements, or this Ground Lease, is subject to this Ground Lease. The Landlord will require that any purchaser, assignee or transferee expressly assume all of the obligations of the Landlord under this Ground Lease by a written instrument recordable in the Official Records of the County. This Ground Lease shall not be affected by any such sale, and Tenant shall attorn to any such purchaser or assignee. In the event that the Landlord intends to sell all or any part of the Site, the Landlord shall notify Tenant of the proposed terms of such sale not later than ninety (90) days before the anticipated close of escrow. Tenant shall have sixty (60) days from the giving of such notice to exercise a right of first refusal to purchase the Site on the same terms and conditions of such proposed sale.

ARTICLE 15: TAXES

Tenant agrees to pay, or cause to be paid, when due to the proper authority, any and all valid taxes, assessments and similar charges on the Site which become effective after the execution of this Ground Lease, including all taxes levied or assessed on the possession, use or occupancy, as distinguished from the ownership, of the Site. Tenant shall not permit any such taxes, charges or other assessments to become a defaulted lien on the Site or the Improvements thereon. If Tenant contests any such taxes, charges or other assessment, Tenant shall indemnify, defend and hold harmless the Housing Authority of the County of Los Angeles ("Housing Authority"), the County of Los Angeles ("County"), and the Commission, and each of their elected and appointed officers, officials, representatives, employees, and agents (hereinafter collectively referred to as "Public Agencies") from and against any and all liability, demands, damages, claims, causes of action, fees (including reasonable attorney's fees and costs and expert witness fees), and expenses, including, but not limited to, claims for bodily injury, property damage, and death (hereinafter collectively referred to as "Claims") resulting therefrom, and should Tenant be unsuccessful in any such contest, Tenant shall forthwith pay, discharge, or cause to be paid or discharged, such tax, assessment or other similar charge. The Landlord shall furnish such information as Tenant shall reasonably request in connection with any such contest provided that such information is otherwise available to the public.

ARTICLE 16: UTILITIES

Tenant shall procure water, sewer service and electricity, telephone, natural gas and any other utility service from the utility companies providing such services, and shall pay all connection and use charges imposed in connection with such services. Tenant shall be responsible for the installation and maintenance of all facilities required in connection with such utility services to the extent not installed or maintained by the County or the utility providing such service.

ARTICLE 17: MAINTENANCE

Tenant, at all times during the term hereof, shall maintain or cause to be maintained the Premises in good condition and repair to the reasonable satisfaction of the Landlord, including the exterior, interior, substructure and foundation of the Improvements and all fixtures, equipment and landscaping from time to time located on the Site or any part thereof. The Landlord shall not be obligated to make any repairs, replacements or renewals of any kind, nature or description whatsoever to the Site or any buildings or improvements now or hereafter located thereon.

ARTICLE 18: LIENS

Tenant shall use its best efforts to keep the Site free from any liens arising out of any work performed or materials furnished by itself or its subtenants. In the event that Tenant shall not cause the same to be released of record or bonded around within twenty (20) days following written notice from the Landlord of the imposition of any such lien or expiration of the contractor. subcontractor, and or supplier lien waiver period under the California Civil Code and as established from the date of the recording of the NOC, whichever is later, the Landlord shall have, in addition to all other remedies provided herein and by law, the right but not the obligation to cause the same to be released by such means as it shall deem proper, including payment of the claim giving rise to such lien. All sums paid by the Landlord for such purpose, and all reasonable expenses incurred by it in connection therewith, shall be payable to the Landlord by Tenant on demand; provided, however, Tenant shall have the right, upon posting of an adequate bond or other security, to contest any such lien, and the Landlord shall not seek to satisfy or discharge any such lien unless Tenant has failed so to do within ten (10) days after the final determination of the validity thereof. In the event of any such contest, Tenant shall indemnify, defend and hold harmless Public Agencies from and against any and all Claims resulting therefrom.

ARTICLE 19: GENERAL REMEDIES

19.01 Application of Remedies

The provisions of this Article 19 shall govern the parties' remedies for breach of this Ground Lease.

19.02 Notice and Cure Rights for Tenant

(a) The Landlord may not exercise its remedies under this Ground Lease for a default by the Tenant unless and until (i) the Landlord has given written notice of any such default, in accordance with the notice provisions of Article 39, to Tenant and (ii) such default has not been cured within sixty (60) days following the giving of such notice or, if such default cannot be cured within such 60-day period, such longer period as is reasonably necessary to cure such default, provided that such cure has been commenced within such 60-day period and is being prosecuted diligently to completion.

19.03 Breach by Landlord

If Tenant believes a material breach of this Ground Lease has occurred, Tenant shall first notify the Landlord in writing of the purported breach, giving the Landlord sixty (60) days from receipt of such notice to cure such breach. In the event Landlord does not then cure or, if the breach is not reasonably susceptible to cure within that sixty (60) day period, begin to cure within sixty (60) days and thereafter diligently prosecute such cure to completion, then Tenant shall be afforded all of its rights at law or in equity by taking any or all of the following remedies:

(i) terminating in writing this entire Ground Lease with the written consent of each Lender; (ii) prosecuting an action for damages; (iii) seeking specific performance of this Ground Lease; or (iv) any other remedy available at law or equity.

19.04 Breach by Tenant

19.04(a) Default by Tenant

The following events each constitute a basis for the Landlord to take action against Tenant:

- (1) Tenant fails to comply with the Permitted Uses and Occupancy Restrictions set forth in Section 9.02:
- (2) Tenant voluntarily or involuntarily assigns, transfers or attempts to transfer or assign this Ground Lease or any rights in this Ground Lease, or in the Improvements, except as permitted by this Ground Lease;
- (3) Tenant, or its successor in interest, shall fail to pay real estate taxes or assessments on the Premises or any part thereof when due, or shall place thereon any encumbrance or lien unauthorized by this Ground Lease, or shall suffer any levy or attachment to be made, or any material supplier's or mechanic's lien or any other unauthorized encumbrance or lien to attach, and such taxes or assessments shall not have been paid, or the encumbrance or lien removed or discharged; provided, however, that Tenant shall have the right to contest any tax or assessment pursuant to Article 15 and Article 18 and, upon the posting of an adequate bond or other security, to contest any such lien or encumbrance. In the event of any such contest, Tenant shall indemnify, defend and hold harmless the Public Agencies from and against any and all Claims resulting therefrom;
- (4) Tenant shall be adjudicated bankrupt or insolvent or shall make a transfer in defraud of creditors, or make an assignment for the benefit of creditors, or bring or have brought against Tenant any action or proceeding of any kind under any provision of the Federal Bankruptcy Act or under any other insolvency, bankruptcy or reorganization act and, in the event such proceedings are involuntary, Tenant is not dismissed from the same within sixty (60) days thereafter; or, a receiver is appointed for a substantial part of the assets of Tenant and such receiver is not discharged within sixty (60) days;
 - (5) Tenant breaches any other material provision of this Ground Lease; or
- (6) Tenant fails to pay any portion of Annual Rent when due in accordance with the terms and provisions of this Ground Lease that may apply to nonpayment of rent after the initial term.

19.04(b) Notification and Landlord Remedies

Upon the occurance of any of the events described in Section 19.04(a) above and prior to exercising any remedies, the Landlord shall notify Tenant in writing of the Tenant's purported breach, failure or act, giving Tenant sixty (60) days from receipt of such notice to cure such breach, failure or act. In the event Tenant does not cure or, if the breach, failure or act is not reasonably susceptible to cure within that sixty (60) day period, begin to cure within sixty (60) days and thereafter diligently prosecute such cure to completion, then, subject to the rights and subject to Section 19.02, the Landlord thereafter shall be afforded all of its rights at law or in equity, including any or all of the following remedies: (1) terminating in writing this Ground

Lease; (2) prosecuting an action for damages; (3) seeking specific performance of this Ground Lease; or (4) increasing the Base Rent.

ARTICLE 20: DAMAGE AND DESTRUCTION

20.01 Insured Casualty

If the Improvements or any part thereof are damaged or destroyed by any cause covered by any policy of insurance required to be maintained by Tenant hereunder, Tenant shall promptly commence and diligently complete the restoration of the Improvements as nearly as possible to the condition thereof prior to such damage or destruction, upon Commission's written approval; provided, however, that if more than fifty percent (50%) of the Improvements are destroyed or are so damaged by fire or other casualty and if the insurance proceeds do not provide at least ninety percent (90%) of the funds necessary to accomplish the restoration, Tenant, may terminate this Ground Lease within thirty (30) days after the later of (i) the date of such damage or destruction, or (ii) the date on which Tenant is notified of the amount of insurance proceeds available for restoration. In the event Tenant is required or elects to restore the Improvements all proceeds of any policy of insurance required to be maintained by Tenant under this Ground Lease shall be used by Tenant for that purpose and Tenant shall make up from its own funds or obtain additional financing as reasonably approved by the Landlord any deficiency between the amount of insurance proceeds available for the work of restoration and the actual cost thereof. In the event Tenant elects to terminate this Ground Lease pursuant to its right to do so under this Section 20.01, or elects not to restore the Improvements, the insurance proceeds shall be disbursed in the order set forth in Section 20.03 below.

20.02 Uninsured Casualty

If (i) more than 50% of the Improvements are damaged or destroyed and ten percent (10%) or more of the cost of restoration is not within the scope of the insurance coverage; and (ii) in the reasonable opinion of Tenant, the undamaged portion of the Improvements cannot be completed or operated on an economically feasible basis; and (iii) there is not available to Tenant any feasible source of third party financing for restoration reasonably acceptable to Tenant; then Tenant may, with the written consent of the Landlord, terminate this Ground Lease upon ninety (90) days written notice to the Landlord. If it appears that the provisions of this Section 20.02 may apply to a particular event of damage or destruction, Tenant shall notify the Landlord promptly and not consent to any settlement or adjustment of an insurance award without the Landlord's written approval, which approval shall not be unreasonably withheld or delayed. In the event that Tenant terminates this Ground Lease pursuant to this Section 20.02, all insurance proceeds and damages payable by reason of the casualty shall be divided among Landlord and Tenant in accordance with the provisions of Section 20.03. If Tenant does not have the right, or elects not to exercise the right, to terminate this Ground Lease as a result of an uninsured casualty, Tenant shall promptly commence and diligently complete the restoration of the Improvements as nearly as possible to their condition prior to such damage or destruction in accordance with the provisions of Section 20.01.

20.03 Distribution of the Insurance Proceeds

In the event of an election by Tenant to terminate and surrender as provided in either Sections 20.01 or 20.02, the priority and manner for distribution of the proceeds of any insurance policy required to be maintained by Tenant hereunder shall be as follows:

(a) First, to pay for the cost of removal of all debris from the Site or adjacent and underlying property, and for the cost of any work or service required by any statute, law, ordinance, rule, regulation or order of any federal, state or local government, or any agency or

official thereof, for the protection of persons or property from any risk, or for the abatement of any nuisance, created by or arising from the casualty or the damage or destruction caused thereby;

- (b) Second, to compensate Landlord for any diminution in the value (as of the date of the damage or destruction) of the Site as a raw development site caused by or arising from the damage or destruction; and
 - (c) The remainder to Tenant.

20.04 Clean Up of Site

In the event the Tenant terminates this Ground Lease pursuant to the provisions of Sections 20.01 or 20.02 and the proceeds of any insurance policy are insufficient to pay the clean-up and other costs described in Article 20.03(b), Tenant shall have the obligation to pay the portion of such costs not covered by the insurance proceeds.

ARTICLE 21: DAMAGE TO PERSON OR PROPERTY; HAZARDOUS MATERIALS; INDEMNIFICATION

21.01 General Indemnification

Landlord shall not in any event whatsoever be liable for any injury or damage to any person happening on or about the Site, for any injury or damage to the Premises, or to any property of Tenant, or to any property of any other person, entity or association on or about the Site. Tenant agrees to indemnify, defend and hold harmless the Public Agencies from and against any and all Claims, from any cause whatsoever, including, but not limited to the acts, errors, or omissions of Tenant, that arise out of, pertain to, or relate to the Tenant's tenancy, the services to be provided in relation to the Premises or Project, Tenant's use of the Site or Premises, including adjoining sidewalks and streets, or any of its operations or activities thereon or connected thereto. Tenant, however, shall not be required to indemnify Public Agencies for Claims caused by the sole negligence or willful misconduct of Public Agencies. This section 21.01 shall remain in force and effect following the termination or expiration of this Ground Lease.

21.02 Hazardous Materials Indemnification

- (a) Tenant agrees to indemnify, defend and hold harmless the Public Agencies from and against any and all Claims incurred by or asserted against Public Agencies in connection with, arising out of, in response to, or in any manner relating to violation of any Environmental Law, or any Release, threatened Release and any condition of pollution, contamination or Hazardous Substance-related nuisance on, under or from the Site. Tenant, however, shall not be required to indemnify Public Agencies for Claims caused by the sole negligence or willful misconduct of Public Agencies.
 - (b) For purposes of this Section 21.02, the following definitions shall apply:
- (i) "Hazardous Substance" shall have the meaning set forth in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended as of the date of this Ground Lease, 42 U.S.C. '9601(14), and in addition shall include, without limitation, petroleum (including crude oil or any fraction thereof) and petroleum products, asbestos, asbestos-containing materials, polychlorinated biphenyls ("PCBs"), PCB-containing materials, all hazardous substances identified in the California Health & Safety Code '25316 and '25281(d), all chemicals listed pursuant to the California Health & Safety Code '25249.8, and any substance deemed a hazardous substance, hazardous material, hazardous waste, or contaminant under Environmental Law. The foregoing definition shall not include substances which occur naturally on the Site.

- (ii) "Environmental Law" shall include all federal, state and local laws, regulations and ordinances governing hazardous waste, wastewater discharges, drinking water, air emissions, Hazardous Substance releases or reporting requirements, Hazardous Substance use or storage, and employee or community right-to-know requirements related to the work being performed under this Ground Lease.
- (iii) "Release" shall mean any spillage, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the environment, including the abandonment or discharging of barrels, containers, and other closed receptacles containing any Hazardous Substance.
- (c) This section 21.02 shall remain in force and effect following the termination or expiration of this Ground Lease.

21.03 Abuse Indemnification.

Tenant further agrees to indemnify, defend, and hold harmless the Public Agencies from and against any and all Claims relating to Tenant's and its employee's, representative's, consultant's, and agent's acts or omissions, whether civil or criminal, intentional or unintentional, including, without limitation, allegations or acts of physical abuse, mental abuse, psychological abuse, sexual abuse, molestation, maltreatment, or mistreatment, in relation to this Ground Lease, Premises, Project, the Tenant's tenancy, or the services to be provided in relation to the Premises or Project. The indemnification language in favor of Public Agencies shall also be incorporated in Tenant's contracts with any and all entities with which it contracts in relation to this Ground Lease, Premises, Project, the Tenant's tenancy, or the services to be provided in relation to the Premises or Project. This section 21.03 shall remain in full force and effect following the termination or expiration of this Ground Lease.

ARTICLE 22: INSURANCE

22.01 Insurance

Without limiting Tenant's indemnifications of the Public Agencies provided in this Ground Lease, Tenant and/or the entities with which Tenant contracts, shall procure and maintain at their own expense the insurance described in this section for the duration of this Ground Lease. unless otherwise set forth herein. Such insurance shall be secured from carriers admitted in California, or authorized to do business in California. Such carriers shall be in good standing with the California Secretary of State's Office and the California Department of Insurance. Such carriers must be approved by the California Department of Insurance and must be included on the California Department of Insurance List of Eligible Surplus Line Insurers (hereinafter "LESLI"). Such carriers must have a minimum rating of or equivalent to A:VIII in Best's Insurance Guide. Tenant shall, concurrent with the execution of this Ground Lease, deliver to the Public Agencies certificates of insurance with original endorsements evidencing the general liability and automobile insurance coverage required by this Ground Lease. If original endorsements are not immediately available, such endorsements may be delivered subsequent to the execution of this agreement, but no later than 40 days following execution of this agreement. Tenant shall deliver satisfactory evidence of issuance of property insurance and worker's compensation insurance described below at the request of the Public Agencies. Tenant shall deliver satisfactory evidence of issuance of professional liability insurance once the Design Professionals are hired for the Project or Tenant begins to provide professional services, whichever comes first. (For purpose of these insurance requirements, "Design Professionals" shall include, but not be limited to, the following: architects, structural engineers, civil engineers, geotechnical engineers and environmental consultants.) The certificate and endorsements shall be signed by a person authorized by the insurers to bind coverage on its

behalf. The Public Agencies reserve the right to require complete certified copies of all policies at any time. Said insurance shall be in a form acceptable to the Public Agencies and may provide for such deductibles as may be acceptable to the Public Agencies. In the event such insurance does provide for deductibles or self-insurance, Tenant agrees that it and/or the entities with which it contracts, will defend, indemnify and hold harmless the Public Agencies in the same manner as they would have been defended, indemnified and held harmless if full coverage under any applicable policy had been in effect. Each such certificate shall stipulate that the Public Agencies are to be given at least thirty (30) days' written notice in advance of any cancellation or any reduction in limit(s) for any policy of insurance required herein. Tenant shall give the Public Agencies immediate notice of any insurance claim or loss which may be covered by insurance. Tenant represents and warrants that the insurance coverage required herein will also be provided by Tenant's general contractors, subcontractors, and Design Professionals, as detailed below. All certificates of insurance and additional insured endorsements shall carry the following identifier:

105th Street Community Garden 10500 S. Normandie Avenue Los Angeles, CA 90044

The aforementioned insurance policies shall be primary insurance with respect to the Public Agencies. The aforementioned insurance policies shall contain a waiver of subrogation for the benefit of the Public Agencies. Failure on the part of Tenant and/or any entities with which Tenant contracts, including, but not limited to any Design Professionals and general contractors, to procure or maintain the insurance coverage required herein shall constitute a material breach of this Ground Lease pursuant to which the Commission may immediately terminate this Ground Lease and exercise all other rights and remedies set forth herein, at its sole and absolute discretion, and without waiving such default or limiting the rights or remedies of the Commission, procure or renew such insurance and pay any and all premiums in connection therewith and all monies so paid by the Commission shall be immediately repaid by the Tenant to Commission upon demand including interest thereon at the default rate. In the event of such a breach, the Commission shall have the right, at its sole election, to participate in and control any insurance claim adjustment or dispute with the insurance carrier. Tenant's failure to assert or delay in asserting any claim shall not diminish or impair the Commission's rights against the Tenant or the insurance carrier.

When Tenant is naming the Public Agencies as additional insureds on any of the commercial general liability insurance policies set forth herein, then the additional insured endorsement shall contain language similar to the language contained in ISO form CG 20 10 10 01. When any entity, with which Tenant is contracting, is naming the Public Agencies as additional insureds on any of the commercial general liability insurance policies set forth herein, then the additional insured endorsement shall contain language similar to the language contained in ISO form CG 20 10 11 85.

The following insurance policies shall be maintained by Tenant and any entity with which Tenant contracts for the duration of this Ground Lease unless otherwise set forth herein:

A. GENERAL LIABILITY INSURANCE (written on ISO policy form CG 20 10 85 or it's equivalent) including coverage for personal injury, death, property damage and contractual liability with limits of not less than the following:

General Aggregate	\$4,000,000
Products/ Completed Operations Aggregate	\$2,000,000
Personal and Advertising Injury	\$2,000,000
Each Occurrence	\$2,000,000

Public Agencies shall be named as additional insureds on such policy.

B. WORKERS' COMPENSATION and EMPLOYER'S LIABILITY insurance providing workers' compensation benefits, as required by the Labor Code of the State of California. In all cases, the above insurance shall include Employer's Liability coverage with limits of not less than the following:

Each Accident	\$1,000,000
Disease-Policy Limit	\$1,000,000
Disease-Each Employee	\$1,000,000

- C. AUTOMOBILE LIABILITY INSURANCE (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than one million dollars (\$1,000,000) for each incident. Such insurance shall include coverage of all "owned", "hired", and "non-owned" vehicles, or coverage for "any auto." Public Agencies shall be named as additional insureds on such policy.
- D. PROFESSIONAL LIABILITY INSURANCE, including coverage for personal injury, death, property damage, and contractual liability in an amount not less than One Million Dollars (\$1,000,000). Said insurance shall be maintained for the statutory period during which the professional maybe exposed to liability. If Tenant is not providing professional services, then it is the responsibility of Tenant to obtain separate written approval from Public Agencies to eliminate this professional liability insurance requirement solely as to Tenant. In any event, Tenant shall still require that the aforementioned professional liability insurance coverage language be incorporated into its contract with any other entity with which it contracts for professional services in relation to the Premises or Project.
- E. <u>PROPERTY INSURANCE</u>: Tenant shall obtain "Special Form" property insurance coverage, which shall include, without limitation, builders risk insurance and insurance against the perils of fire and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, flood, false work, testing and startup, temporary buildings and debris removal including demolition occasioned by enforcement of any applicable legal requirements. The amount of the property coverage shall at all times exceed the full replacement value of materials supplied or installed by others and all existing structures, improvements and fixtures on the Premises. There shall not be a "co-insurance" clause. If a coinsurance waiver is not commercially available at reasonable rates, Public Agencies may waive this requirement. Said insurance shall be maintained for the duration of this Ground Lease. The Public Agencies shall be named as loss payees on such policy.

In addition to the above mentioned insurance requirements, Tenant acknowledges that it and/or its subcontractors will be working with and will come into close contact with minors and senior citizens in relation to the training services that will be provided in relation to the Project or Premise ("Training Services"). Tenant represents and warrants that it has conducted extensive background checks on all of its employees, representatives, consultants, subcontractors, and agents, and it has determined that they do not have any criminal or civil backgrounds working or

dealing with minors or senior citizens that should prevent them from providing any Training Services. Tenant acknowledges and agrees that situations may arise in which Tenant or its subcontractors and a minor or senior citizen find themselves alone in relation to the Training Services. Tenant represents and warrants that no Training Services shall be rendered in closed door meetings. Tenant represents and warrants that it has written policies and procedures in place regarding working with minors and senior citizens, and all of its employees, representatives, consultants, subcontractors, and agents, have received such policy and procedure and/or had formal training on such. Tenant acknowledges and agrees that a material inducement to the Commission in entering into this Ground Lease is that the Tenant has such policies and procedures in place, has given formal training on such, takes these issues seriously, and acts immediately and appropriately to address any issues or concerns regarding such. At anytime upon Commission's reasonable notice, Tenant shall provide copies of all policies, procedures, background check materials (redacted for confidential information as applicable), and other relevant information upon which Tenant's above representations are based. If Tenant fails to provide information, documents, and materials to support its representations to the satisfaction of Commission, then Commission may, in its sole discretion, elect to terminate this Ground Lease.

Tenant agrees that it will require all of the above mentioned insurance requirements are incorporated in any contract it enters into with any entity in relation to the Premises, Project, or Training Services.

22.02 Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by Landlord. At the option of Landlord, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Landlord, its officers, employees and volunteers; or the Tenant shall procure a bond guaranteeing payment of losses and related investigation, claim administration and defense expenses.

22.03 Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

- (1) General Liability and Automobile Liability Coverage:
- (a) The Insured Public Agencies, are to be covered as additional insured as respects: liability arising out of activities performed by or on behalf of the Tenant; products and completed operations of the Tenant, premises owned, occupied or used by the Tenant; or automobiles owned, leased, hired or borrowed by the Tenant. The coverage shall contain no special limitations on the scope of protection afforded to the Insured Public Agencies and their respective officers, agents, employees or Commissioners.
- (b) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Insured Public Agencies and their respective officers, agents, employees or Commissioners.
- (c) The Tenant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

ARTICLE 23: COMPLIANCE WITH SITE-RELATED AND LEGAL REQUIREMENTS

23.01 Compliance with Legal Requirements

Tenant shall at its cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force, with the requirements of any board of fire underwriters or other similar body now or hereafter constituted, with any direction or occupancy certificate issued pursuant to any law by any public officer or officers, insofar as any thereof relates to or affects the condition, use or occupancy of the Site. In the event Tenant contests any of the foregoing, Tenant shall not be obligated to comply therewith to the extent that the application of the contested law, statute, ordinance, rule, regulation or requirement is stayed by the operation of law or administrative or judicial order and Tenant indemnifies the Landlord against all loss, cost, expense or damage resulting from noncompliance.

ARTICLE 24: ENTRY

The Landlord and its authorized agents shall have the right at all reasonable times during normal business hours and after forty-eight (48) hours written notice to Tenant (except in the event of an emergency when no written notice is required), to go on the Site.

ARTICLE 25: RESERVED

ARTICLE 26: RESERVED

ARTICLE 27: CONDEMNATION AND TAKINGS

27.01 Parties' Rights and Obligations to be Governed by Agreement

If, during the term of this Ground Lease, there is any condemnation of all or any part of the Site or any interest in the Leasehold Estate is taken by condemnation, the rights and obligations of the parties shall be determined pursuant to this Article 27, subject to the rights of any Lender.

27.02 Total Taking

If the Site is totally taken by condemnation, this Ground Lease shall terminate on the date the condemnor has the right to possession of the Site.

27.03 Partial Taking

If any portion of the Site is taken by condemnation, this Ground Lease shall remain in effect, except that Tenant may elect to terminate this Ground Lease if, in Tenant's reasonable judgment, the remaining portion of the Improvements is rendered unsuitable for Tenant's continued use of the Site. If Tenant elects to terminate this Ground Lease, Tenant must exercise its right to terminate pursuant to this paragraph by giving notice to the Landlord within sixty (60) days after the Landlord notifies Tenant of the nature and the extent of the taking. If Tenant elects to terminate this Ground Lease as provided in this Section 27.03, Tenant also shall notify the Landlord of the date of termination, which date shall not be earlier than sixty (60) days nor later than six (6) months after Tenant has notified the Landlord of its election to terminate; except that this Ground Lease shall terminate on the date the condemnor has the right to possession of the Site if such date falls on a date before the date of termination as designated by Tenant. If Tenant does not terminate this Ground Lease within such sixty (60) day notice period, this Ground Lease shall continue in full force and effect.

27.04 Effect on Rent

If any portion of the Improvements is taken by condemnation and this Ground Lease remains in full force and effect, then on the date of taking the rent shall be reduced by an amount that is in the same ratio to the rent as the value of the area of the portion of the Improvements taken bears to the total value of the Improvements immediately before the date of the taking.

27.05 Restoration of Improvements

If there is a partial taking of the Improvements and this Ground Lease remains in full force and effect pursuant to Section 27.03, Tenant may use the proceeds of the taking to accomplish all necessary restoration to the Improvements.

27.06 Award and Distribution

Any compensation awarded, paid or received on a total or partial condemnation of the Site or threat of condemnation of the Site shall belong to and be distributed in the following order:

- (a) First, to the Tenant in an amount equal to the actual equity invested by the Tenant.
- (b) Second, to Landlord in an amount equal to any compensation awarded minus the equity investment payable to Tenant.

ARTICLE 28: ESTOPPEL CERTIFICATE

The Landlord or Tenant, as the case may be, shall execute, acknowledge and deliver to the other promptly upon request, its certificate certifying (a) that this Ground Lease is unmodified and in full force and effect (or, if there have been modifications, that this Ground Lease is in full force and effect, as modified, and stating the modifications), (b) the dates, if any, to which rent has been paid, (c) whether there are then existing any charges, offsets or defenses against the enforcement by the Landlord or Tenant to be performed or observed and, if so, specifying the same, and (d) whether there are then existing any defaults by Tenant or the Landlord in the performance or observance by Tenant or the Landlord of any agreement, covenant or condition hereof on the part of Tenant or the Landlord to be performed or observed and whether any notice has been given to Tenant or the Landlord of any default which has not been cured and, if so, specifying the same.

ARTICLE 29: RESERVED

ARTICLE 30: NONDISCRIMINATION

There shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Site, nor shall Tenant itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Site or any portion thereof. The nondiscrimination and nonsegregation covenants set forth herein shall remain in effect in perpetuity.

Tenant shall refrain from restricting the rental, sale or lease of the Site or any portion thereof on the basis of race, color, creed, religion, sex, marital status, national origin, or ancestry of any person. All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

- a. In deeds: "The grantee herein covenants by and for himself or herself, and his or her heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the land herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the land herein conveyed. The foregoing covenants shall run with the land."
- b. In leases: "The lessee herein covenants by and for himself or herself, and his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, marital status, national origin, or ancestry, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the land herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the land herein leased."
- c. In contracts: "There shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, marital status, national origin, or ancestry, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises, nor shall the parties to this contract or any person claiming under or through them, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the premises."

Nothing in this Paragraph shall be construed or understood to limit, restrict or in any way waive the income requirements.

ARTICLE 31: COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM REQUIREMENTS

Tenant agrees to comply with the requirements of the Community Development Block Grant Program as set forth on Attachment 4.

ARTICLE 32: COMMISSION REQUIREMENTS

Tenant agrees to comply with the requirements of the Commission as set forth on Attachment 5.

ARTICLE 33: RESERVED

ARTICLE 34: CONFLICT OF INTEREST

No commissioner, official, or employee of the Landlord shall have any personal or financial interest, direct or indirect, in this Ground Lease, nor shall any such commissioner, official, or employee participate in any decision relating to this Ground Lease which affects his or her personal interests or the interests of any corporation, partnership, or association in which he or she is directly or indirectly interested.

ARTICLE 35: NO PERSONAL LIABILITY

No commissioner, official, or employee of the Landlord shall be personally liable to Tenant or any successor in interest in the event of any default or breach by the Landlord or for

any amount which may become due to Tenant or its successors or on any obligations under the terms of this Ground Lease.

ARTICLE 36: ENERGY CONSERVATION

Tenant agrees that it will use its best efforts to maximize provision of, and incorporation of, both energy conservation techniques and systems and improved waste-handling methodology in the construction of the Improvements.

ARTICLE 37: WAIVER

The waiver by the Landlord or Tenant of any term, covenant, agreement or condition herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, agreement or condition herein contained, nor shall any custom or practice which may grow up between the parties in the administration of the terms hereof be construed to waive or to lessen the right of the Landlord or Tenant to insist upon the performance by the other in strict accordance with the said terms. The subsequent acceptance of rent or any other sum of money hereunder by the Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant, agreement or condition of this Ground Lease, other than the failure of Tenant to pay the particular rent or other sum so accepted, regardless of the Landlord's knowledge of such preceding breach at the time of acceptance of such rent or other sum.

ARTICLE 38: RECORDS

Upon reasonable notice during normal business hours, and as often as the Landlord may deem necessary, there shall be made available to the Landlord and its authorized representatives for examination all records, reports, data and information made or kept by Tenant regarding its activities or operations on the Site.

ARTICLE 39: NOTICES AND CONSENTS

All notices, demands, consents or approvals which may be or are required to be given by either party to the other hereunder shall be in writing and shall be deemed to have been fully given when delivered in person to such representatives of Tenant and the Landlord as shall from time to time be designated by the parties for the receipt of notices, or when deposited in the United States mail, certified, postage prepaid, or by express delivery service with a delivery receipt and addressed as follows:

If to Tenant: SOUTH CENTRAL FARMERS HEALTH AND EDUCATION FUND

7309 Clybourn Ave., Suite 1 Sun Valley, CA 91352 Attn: Tezozomoc

With a copy to:

If to Landlord: Community Development Commission of the County of

Los Angeles Two Coral Circle Monterey Park, California 91755-7425 Attn: Executive Director Fax No. (323) 890-8576

or to such other address with respect to either party as that party may from time to time designate by notice to the other given pursuant to the provisions of this Article 39. Any notice given pursuant to this Article 39 shall be effective on the date of delivery or the date delivery is refused as shown on the delivery receipt.

ARTICLE 40: COMPLETE AGREEMENT

There are no oral agreements between Tenant and the Landlord affecting this Ground Lease, and this Ground Lease supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings between Tenant and the Landlord with respect to the lease of the Site.

ARTICLE 41: HEADINGS

Any titles of the several parts and sections of this Ground Lease are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions. "Paragraph" and "Section" may be used interchangeably.

ARTICLE 42: SUCCESSORS AND ASSIGNS

This Ground Lease shall be binding upon and inure to the benefit of the successors and assigns of the Landlord and Tenant and where the term "Tenant" or "Landlord" is used in this Ground Lease, it shall mean and include their respective successors and assigns; provided, however, that the Landlord shall have no obligation under this Ground Lease to, nor shall any benefit of this Ground Lease accrue to, any unapproved successor or assign of Tenant where Landlord approval of a successor or assign is required by this Ground Lease. At such time as Landlord sells the Site to its successors or assigns, Landlord shall require its successor or assigns to assume all of Landlord's obligations hereunder arising on and after the transfer in writing for the benefit of Tenant and its successors and assigns.

ARTICLE 43: TIME

Time is of the essence in the enforcement of the terms and conditions of this Ground Lease.

ARTICLE 44: PARTIAL INVALIDITY

If any provisions of this Ground Lease shall be determined to be illegal or unenforceable, such determination shall not affect any other provision of this Ground Lease and all such other provisions shall remain in full force and effect.

ARTICLE 45: APPLICABLE LAW

This Ground Lease shall be governed by and construed pursuant to the laws of the State of California.

ARTICLE 46: RESERVED

ARTICLE 47: EXECUTION IN COUNTERPARTS

This Ground Lease and any memorandum hereof may be executed in counterparts, each of which shall be considered an original, and all of which shall constitute one and the same instrument.

ARTICLE 48: RESERVED

ARTICLE 49: ATTACHMENTS

The following are attached to this Ground Lease and by this reference made a part hereof:

- 1. Legal Description of Site
- 2. Schedule of Performance
- 3. Scope of Development
- 4. CDBG Requirements
- 5. Commission Requirements
- 6. Program Guidelines

IN WITNESS WHEREOF, the Parties have executed this Ground Lease as of the date and year first above written.

TENANT: SOUTH CENTRAL FARMERS HEALTH AND EDUCATION FUND, A California Nonprofit Public Benefit Corporation
By:
By: TEZOZOMOC
Its: Manager
LANDLORD: COMMUNITY DEVELOPMENT COMMISSION OF THE COUNTY OF LOS ANGELES a public body corporate and politic
By: SEAN ROGAN
Executive Director
APPROVED AS TO FORM:
ANDREA SHERIDAN ORDIN, County Counsel
By:
BEHNAZ TASHAKORIAN
Deputy

Attachment 1 Legal Description of Site

APN: 6060-011-908

ADDRESS: 1344 W. 105th Street, Los Angeles, CA 90044

The Westerly 50 feet of the North 134 feet of Lot 43, original Sunnyside, UNINCORPORATED AREA, County of Los Angeles, State of California, as per map recorded in Book 7, Page 171 of Maps, in the office of the County Recorder of said County.

APN: 6060-011-906

ADDRESS: 10500-10512 S. Normandie Avenue, Los Angeles, CA 90044

PARCEL 1:

The South 50 feet of Lot 41 and the South 50 feet of the West Half of Lot 43 of original Sunnyside, in the County of Los Angeles, State of California, as per map recorded in Book 7, Page 171 of Maps, in the office of the County Recorder of said County.

PARCEL 2:

The North 134 feet of Lot 41 of original Sunnyside, in the County of Los Angeles, State of California, as per map recorded in Book 7, Page 171 of Maps, in the office of the County Recorder of said County.

Attachment 2 Schedule of Performance

Attachment 3 Scope of Development

The development of the Community Garden at 10500 S. Normandie Ave., Los Angeles, CA 90044 will be undertaken by South Central Farmers Health and Education Fund (SCFHEF). The Garden will consist of approximately 86 plots each of which will not exceed 150 square feet. The development of the garden will include restrooms, and a storage facility of 20 ft x 8ft x 8ft sea storage container which shall bear the address on the rooftop to be easily viewed from above by emergency helicopters. Entry to the site will be accessible via a pedestrian gate on Normandie Avenue, vehicle gate on 105th Street and a vehicle gate accessible from the alley on the south side of the site. A lockable bike rack will be available. A vegetable wash station will be available for all members. In the front amphitheatre section of the garden there will be 3 picnic style benches with collapsible fold up umbrella for providing shade during hot days. A trash container will be installed near on the southeast side of the parcel. Four to six 30 to 40 foot motion sensored light posts will be installed to offer lighting in the evening and for security. A time lapse video security system with a recording mechanism will be installed. Drip irrigation will be incorporated into the system design to meet the requirements of AB1881. Gardening classes and training sessions will be made available to the members of the community.

Attachment 4 Community Development Block Grant Program Requirements

Tenant shall comply with all requirements of the Community Development Block Grant Program ("CDBG"). The CDBG Program is authorized under Title I of the Housing and Community Development Act of 1974, as amended. Tenant acknowledges that the project is being qualified under the CDBG program as a Low-Moderate Client Project as defined in Sections 570.208(a)(2)(i)(A), 570.208(a)(2)(i)(B) and 570.208(a)(2)(i)(C) or 570.208(a)(2)(i)(D).

Tenant acknowledges that a minimum of 51% of the number of garden plots must be utilized by households whose household income does not exceed eighty percent (80%) of Area Median Income ("AMI") as defined by the United States Department of Housing and Urban Development ("HUD") for the Los Angeles-Long Beach Metropolitan Statistical Area, adjusted for family size. Tenant agrees to utilize the attached Client Intake Form (Exhibit A) to qualify all participating households and recertify each participant household on an annual basis. Tenant shall have each participant complete an Annual Income Documentation Worksheet (Exhibit B), and attach a copy of source documentation utilized to calculate income. Tenant shall then classify participant as Extremely Low-Income, Low-Income, Moderate-Income or Above Moderate Income. On an annual basis, Landlord shall provide tenant with a schedule defining Income levels. Income levels for 2010 are attached as (Exhibit C)

On the First (1st) day of the months of January, April, July and October, Tenant shall provide quarterly reports listing information for the prior quarter. For example, the report submitted on January 1 shall contain information pertaining to the prior months of October, November and December. Quarterly reports shall contain the following information:

- 1. Project Name
- 2. Reporting Period
- 3. Contact information of Preparer
- 4. Total Number of Participants (cumulative) and assisted during the reporting period
- 5. Total Number of Female-Headed Households (cumulative) and assisted during the reporting period
- 6. Total Number of Participants (cumulative) and assisted during the reporting period for the following Race/Ethnicity benefit group:
 - a. American Indian/Alaskan Native & Black/African American-Hispanic
 - b. American Indian/Alaskan Native & Black/African American-Non-Hispanic
 - c. American Indian/Alaskan Native & White- Hispanic
 - d. American Indian/Alaskan Native & White- Non-Hispanic
 - e. American Indian/Alaskan Native & Hispanic
 - f. American Indian/Alaskan Native & Non-Hispanic
 - g. Asian-Hispanic
 - h. Asian- Non-Hispanic

- i. Asian and White- Hispanic
- j. Asian and White- Non-Hispanic
- k. Black/African American & White Hispanic
- I. Black/African American & White Non-Hispanic
- m. Black/African American Hispanic
- n. Black/African American- Non-Hispanic
- o. Native Hawaiian/Other Pacific Islander-Hispanic
- p. Native Hawaiian/Other Pacific Islander-Non-Hispanic
- q. Other Race-Hispanic
- r. Other Race- Non-Hispanic
- s. White-Hispanic
- t. White- Non-Hispanic
- 7. Total Number of Participants (cumulative) and assisted during the reporting period for the following Income benefit group:
 - a. Extremely Low-Income
 - b. Low-Income
 - c. Moderate-Income
 - d. Above Moderate Income
- 8. Quarterly and Cumulative percentage of participants that have extremely low, and low-income levels.
- 9. A quarterly narrative. The narrative for the fourth quarter shall also include a cumulative annual narrative.
- 10. Any other documentation the tenant may feel is relevant to portray the current operation of the garden

Unless otherwise directed in writing by Landlord, Quarterly reports shall be submitted electronically via email to carolina.romo@lacdc.org.

EXHIBIT A

CLIENT INTAKE FORM

CLIENT INTAKE FORM	
PROGRAM	
CLIENT INFORM	ATION
NAME:	
ADDRESS:	
PHONE: ()	
	FEDERALLY FUNDED PROGRAM. FOR REPORTING PURPOSES ONLY, ASE PROVIDE THE FOLLOWING DEMOGRAPHIC INFORMATION
ekaround	Pd : P 1

	OGRAM. FOR REPORTING PURPOSES ONLY, OWING DEMOGRAPHIC INFORMATION
Racial Background Mark X next to the category that best describes your origin. Single Categories American Indian / Alaska Native Asian Black / African American Native Hawaiian / Other Pacific Islander White	Ethnic Background Mark X next to the category that best describes your ethnicity. No, not Spanish/Hispanic/Latino Yes, Mexican, Mexican Am., Chicano Yes, Puerto Rican Yes, Cuban Yes, other Spanish/Hispanic/Latino
Double Categories _ American Indian or Alaska Native AND White _ Asian AND White _ Black or African American AND White _ American Indian or Alaska Native AND Black or African American _ Other - for individuals not identified above	Household Information – Check one A female heads the household where this client resides. A male heads the household where this client resides.
FOR STAFF USE ONLY	2000 - *
spouse, illiterate adult, person with AIDS, migrant farm worker	
LMC Projects 570.208 (a)(2)(i)(B) Require Income Documentation Complete Income Documentation Worksheet, photocopy and atta- approved. Indicate appropriate Income Category below. Extremely Low-Income	ch documentation, or attach signed Public Service Self-Certification, if Moderate-Income Above Moderate Income

EXHIBIT B ANNUAL INCOME DOCUMENTATION WORKSHEET

		IVIL DOCUVILIN	
SOURCE OF INCOME	ANNUAL GROSS INCOME	RECIPIENT NAME	DOCUMENTATION
Business/Personal Salary (employment)			 Last 3 paychecks (not older than 6 months); or Employment and salary documentation form completed by employer; or Federal or State income tax returns or W-2 (not older than 1 year).
Supplemental Security Income or Disability (SSI/SSD)			 Monthly award check (not older than 6 months); or Form SSA-2458 (requested from local Social Security Office); or Award letter (not older than 1 year); or Bank statement showing direct deposits of award check (not older than 6 months).
Aid for Families with Dependent Children (AFDC)			 Award letter stating benefit amount (not older than 1 year); or Monthly award check (not older than 6 months); or Written and signed statement from caseworker
General Relief			stating benefit amount (not older than 6 months).
Pension			 Pension check (not older than 6 months); or Pension award letter showing monthly benefit; or Bank statement showing direct deposit of pension check (not older than 6 months).
Alimony			Weekly or monthly check; orCourt decree establishing payment ("divorce
Child Support			papers"); or • Affidavit of child support signed by applicant.
Unemployment Insurance			 Award notice stating benefit; or Payment booklet; or Unemployment affidavit signed by applicant.
Self-Employment Profits			 Account records (for current fiscal year); or Most current quarterly income tax return (not older than 6 months).
Interest and Dividend Income			 Bank statement showing last 12 months of interest; or Federal income tax return showing interest earned (not older than 1 year); or Investment statements indicating the amount of dividends earned (not older than 1 year).
Rental Property Income			 Rent check (not older than 6 months); or Rent receipt book; or Property rental agreement signed by current tenant showing monthly rent; or Income tax return declaring earned rental income (not older than 1 year).
TOTAL	\$ /yr		

EXHIBIT C

2010 FEDERAL INCOME LEVELS



LOS ANGELES COUNTY

CDBG BULLETIN

COMMUNITY DEVELOPMENT COMMISSION • 2 Coral Circle • Monterey Park, California 91755

NUMBER: 10

10-0013

SUBJECT:

2010 INCOME GUIDELINES

DATE:

May 19, 2010

EFFECTIVE DATE:

IMMEDIATELY

PAGE 1

OF 2

TO: COMMUNITY-BASED ORGANIZATIONS

PARTICIPATING CITIES COUNTY DEPARTMENTS

CDC DIVISIONS

OTHER PUBLIC AGENCIES

The 2010 income guidelines (effective May 14, 2010) for use in the Community Development Block Grant (CDBG) Program are listed below. These guidelines should be used to determine compliance with the national objective of providing benefit to low- and moderate-income persons. They are also used in determining eligibility for the Public Housing and Section 8 Programs, and are effective until a new schedule is issued.

INCOME LIMITS

			II.	OWIE DI	1110			
Family Size	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Moderate- Income	\$46,400	\$53,000	\$59,650	\$66,250	\$71,550	\$76,850	\$82,150	\$87,450
Low- Income	\$29,000	\$33,150	\$37,300	\$41,400	\$44,750	\$48,050	\$51,350	\$54,650
Extremely Low- Income	\$17,400	\$19,900	\$22,400	\$24,850	\$26,850	\$28,850	\$30,850	\$32,850

Please note that the 2010 median family income for Los Angeles County is \$63,000.

These guidelines refer to low-income and extremely low-income. In order to clarify any misunderstanding resulting from the differences in terms between the Public Housing/Section 8 Programs and the CDBG Program, the following is provided for your information:

Strengthening Neighborhoods - Supporting Local Economies - Empowering Families - Promoting Individual Achievement





Participating Agencies May 19, 2010 Page Two

COMPARISON (OF TERMS IN DETERMINING	INCOME LEVELS
CDBG	SECTION 8	PERCENT OF MEDIAN
Extremely Low-Income	Extremely Low-Income	Equal to or less than 30%
Low-Income	Very Low-Income	31% to 50%
Moderate-Income	Low-Income	51% to 80%

For all agencies utilizing CDBG-approved Public Self-Certification Forms, please be sure to incorporate these revised income guidelines into your forms immediately.

Should you have any questions, please contact your Program Manager.

Sincerely,

Community Development Block Grant Division

TG:RM:vu K:\CDBG Common\Special Projects\Bulletins\2010\2010 income guidelines.doc

Attachment 5 Commission Requirements

The Tenant agrees to comply with the following Commission requirements:

1. <u>Termination for Improper Consideration</u>

Commission may, by written notice to the Tenant, immediately terminate the right of the Tenant to proceed under this Agreement if it is found that consideration, in any form, was offered or given by Tenant, either directly or through an intermediary, to any Commission officer, employee or agent with the intent of securing this Agreement or securing favorable treatment with respect to the award, amendment or extension of this Agreement or the making of any determinations with respect to the Tenant's performance pursuant to this Agreement. In the event of such termination, Commission shall be entitled to pursue the same remedies against the Tenant as it could pursue in the event of default by the Tenant.

The Tenant shall immediately report any attempt by a Commission officer or employee to solicit such improper consideration. The report shall be made either to Commission's Executive Director or his designee.

Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

2. Confidentiality of Reports

The Tenant shall keep confidential all reports, information and data received, prepared or assembled pursuant to performance hereunder. Such information shall not be made available to any person, firm, corporation or entity without the prior written consent of Commission.

3. Commission's Quality Assurance Plan

Commission will evaluate Tenant's performance under this Agreement on not less than an annual basis. Such evaluation will include assessing Tenant's compliance with all contract terms and performance standards. Tenant deficiencies which Commission determines are severe or continuing and that may place performance of the Agreement in jeopardy, if not corrected, will be reported to the Board of Commissioners. The report will include improvement/corrective action measures taken by Commission and Tenant. If improvement does not occur consistent with the corrective measure, Commission may terminate this Agreement or seek other remedies as specified in this Agreement.

4. <u>Tenant's Warranty of Adherence to Commission's Child Support Compliance</u> Program

Tenant acknowledges that the Commission has established a goal of ensuring that all individuals who benefit financially from the Commission through contract are in compliance with their court-ordered child, family and spousal support obligations, in order to mitigate the economic burden otherwise imposed upon the taxpayers of the County of Los Angeles County.

As required by the Commission's Child Support Compliance Program and without limiting Tenant's duty under this Agreement to comply with all applicable provisions of law, Tenant warrants that it is now in compliance and shall during the term of this Agreement maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

5. <u>Termination For Breach of Warranty to Maintain Compliance With Commission's Child Support Compliance Program</u>

Failure of Tenant to maintain compliance with the requirements set forth in Paragraph 4, "Tenant's Warranty of Adherence to Commission's Child Support Compliance Program" shall constitute a default by Tenant under this Agreement. Without limiting the rights and remedies available to the Commission under any other provision of this Agreement, failure to cure such default within 90 calendar days of written notice shall be grounds upon which the Commission may terminate this Agreement pursuant to said paragraph 4 and pursue debarment of Tenant, pursuant to Commission policy.

6. Post Most Wanted Delinquent Parents List

Tenant acknowledges that the County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. Tenant understands that it is County's and Commission's policy to strongly encourage all Tenants to voluntarily post an entitled "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Tenant's place of business. The Child Support Services Department (CSSD) will supply Tenant with the poster to be used.

7. <u>Independent Contractor</u>

This Agreement does not, is not intended to, nor shall it be construed to create the relationship of agent, employee or joint venture between the Commission and the Tenant.

8. Drug-Free Workplace Act of the State of California

Tenant certifies under penalty of perjury under the laws of the State of California that the Tenant will comply with the requirements of the Drug-Free Workplace Act of 1990.

9. Compliance with Laws

The Tenant agrees to be bound by applicable federal, state and local laws, regulations, and directives as they pertain to the performance of this Agreement. If the compensation under this Agreement is in excess of \$100,000 then Tenant shall comply with applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 18579h), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR part 15).

The Tenant must obtain and present all relevant state and local insurance, training and licensing pursuant to services required within this Agreement.

Tenant shall comply with the following laws:

10. <u>Civil Rights Act of 1964, Title VI (Non-discrimination in Federally Assisted Programs)</u>

Tenant shall comply with the Civil Rights Act of 1964 Title VI which provides that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

11. Section 109 of the Housing and Community Development Act of 1974

Tenant shall comply with Section 109 of the Housing and Community Development Act of 1974 which states that no person in the United States shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

12. Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973

Tenant shall comply with the Age Discrimination Act of 1975 and section 504 of the Rehabilitation Act of 1973, which require that no person in the United States shall be excluded from participating in, denied the benefits of, or subject to discrimination under this Agreement on the basis of age or with respect to an otherwise qualified disabled individual.

13. <u>Executive Order 11246 and 11375, Equal Opportunity in Employment (Non-discrimination in Employment by Government Contractors and Subcontractors)</u>

Tenant shall comply with Executive Order 11246 and 11375, Equal Opportunity in Employment which requires that during the performance of this Agreement, the Tenant will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, age, ancestry, marital status, or disability. The Tenant will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Tenant agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the non-discrimination clause.

The Tenant will, in all solicitations or advertisements for employees placed by or on behalf of the Tenant, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The Tenant will send to each labor union or representative of workers with which he has a collective bargaining Agreement or other contract or understanding, a notice to be provided by the agency of the Tenant's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Tenant will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

The Tenant will furnish all information and reports required by the Executive Order and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by Commission and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

In the event of Tenant's noncompliance with the non-discrimination clauses of this Agreement or with any of such rules, regulations or orders, this Agreement may be canceled, terminated or suspended in whole or in part and the Tenant may be declared ineligible for further Government contracts in accordance with procedures authorized in the Executive Orders and such other sanctions may be imposed and remedies invoked as provided in the Executive Order or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.

The Tenant will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, that such provisions will be binding upon each subcontractor or vendor. The Tenant will take such actions with respect to any subcontract or

purchase order as Commission may direct as a means of enforcing such provisions including sanctions for noncompliance, provided however, that in the event the Tenant becomes involved in, or is threatened with litigation by a subcontractor or vendor as a result of such direction by Commission, the Tenant may request the United States to enter into such litigation to protect the interests of the United States.

14. Notice to Employees Regarding the Federal Earned Income Credit

Tenant shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

15. Use of Recycled-Content Paper Products

Tenant agrees to use recycled-content paper to the maximum extent possible on the Project in order to reduce the amount of solid waste deposited at the County landfills.

16. Tenant Responsibility and Debarment

- A. A responsible Tenant is a Tenant who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the policy of the Commission to conduct business only with responsible Tenants.
- B. The Tenant is hereby notified that if the Commission acquires information concerning the performance of the Tenant on this or other contracts which indicates that the Tenant is not responsible, the Commission may, in addition to other remedies provided in the contract, debar the Tenant from bidding on Commission contracts for a specified period of time not to exceed 3 years, and terminate any or all existing contracts the Tenant may have with the Commission.
- C. Commission may debar a Tenant if the Board of Commissioners finds, in its discretion, that the Tenant has done any of the following: (1) violated any term of a contract with the County, the Commission or the Housing Authority of the County of Los Angeles (HACOLA), (2) committed any act or omission which negatively reflects on the Tenant's quality, fitness or capacity to perform a contract with the County, the Commission or HACOLA or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County, the Commission or HACOLA or any other public entity.

- D. If there is evidence that the Tenant may be subject to debarment, Commission will notify the Tenant in writing of the evidence which is the basis for the proposed debarment and will advise the Tenant of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Tenant and/or the Tenant's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether the Tenant should be debarred, and, if so, the appropriate length of time of the debarment. If the Tenant fails to avail itself of the opportunity to submit evidence to the Contractor Hearing Board, the Tenant may be deemed to have waived all rights of appeal.
- F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contract Hearing Board shall be presented to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.
- G. If a Tenant has been debarred for a period longer than five years, that Tenant may, after the debarment has been in effect for at least five years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The Commission may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Tenant has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the Commission.
- H. The Contractor Hearing Board will consider a request for review of the debarment determination only where (1) the Tenant has been debarred for a period longer than five years; (2) the debarment has been in effect for at least five years; and (3) the request is in writing, states one or more of the ground for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing

shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment Hearing.

The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.

 These terms shall also apply to subcontractors and subconsultants of County, HACOLA, or Commission contractors, consultants, vendors and agencies.

17. Section 3 of the Housing and Community Development Act of 1968, as Amended

- A. The work to be performed under this Agreement is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low-and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- B. The parties to this Agreement agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this Agreement, the parties to this Agreement certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- C. The Tenant agrees to send to each labor organization or representative of workers with which the Tenant has a collective bargaining Agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Tenant's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- D. The Tenant agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take

appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The Tenant will not subcontract with any subcontractor where the Tenant has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.

- E. The Tenant will certify that any vacant employment positions, including training positions, that are filled (1) after the Tenant is selected but before the Agreement is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Tenant's obligations under 24 CFR Part 135.
- F. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this Agreement for default, and debarment or suspension from future HUD assisted contracts.
- G. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this Agreement. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Agreement that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

18. Barriers For the Disabled

The Project shall be developed to comply with all applicable federal, state and local requirements for access for disabled persons.

19. Lead-Based Paint

Tenant and its contractors and subcontractors shall not use lead-based paint in construction or maintenance of the Project. Tenant shall cause this provision to be incorporated in all contracts and subcontracts for work performed on the Site which involve the application of paint.

20. Notice To Employees Regarding The Safely Surrendered Baby Law

Tenant shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available on the Internet at www.babysafela.org for printing purposes.

21. <u>Tenant's Acknowledgment of Commission's Commitment To The Safely</u> Surrendered Baby Law

Tenant acknowledges that the Commission places a high priority on the implementation of the Safely Surrendered Baby Law. Tenant understands that it is the Commission's policy to encourage all Commission Tenants to voluntarily post the "Safely Surrendered Baby Law" poster in a prominent position at the Tenant's place of business. Tenant will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The Department of Children and Family Services of the County of Los Angeles will supply Tenant with the poster to be used.

22. Lobbyist Ordinances

Federal Lobbyist Requirements: Tenant is prohibited by the Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD's 24 CFR Part 87, from using federally appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, loan or cooperative Agreement, and any extension, continuation, renewal, amendment or modification of said documents.

Tenant must certify in writing on the Federal Lobbyist Requirements Certification form that they are familiar with the Federal Lobbyist Requirements and that all persons and/or subcontractors acting on behalf of the Tenant will comply with the Lobbyist Requirements.

Failure on the part of the Tenant or persons/subcontractors acting on behalf of the Tenant to fully comply with the Federal Lobbyist Requirements may be subject to civil penalties.

23. Compliance With Jury Service Program.

A. Unless Tenant has demonstrated to the Commission satisfaction either that Tenant is not a "Contractor" as defined under the Jury Service Program or that Tenant qualifies for an exception to the Jury Service Program, Tenant shall have and adhere to a written policy that provides that its Employees shall receive from the Tenant, on an annual basis, no less than five days of regular pay for actual

jury service. The policy may provide that Employees deposit any fees received for such jury service with the Tenant or that the Tenant deduct from the Employee's regular pay the fees received for jury service.

- B. For purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full time employee of Tenant. "Full time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Tenant has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Tenant uses any subcontractor to perform services for the County under the Contract, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract Contract and a copy of the Jury Service Program shall be attached to the Contract.
- C. If the Tenant is not required to comply with the Jury Service Program when the Contract commences, Tenant shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Tenant shall immediately notify County if Tenant at any time either comes within the Jury Service Program's definition of "Contractor" or if Tenant no longer qualifies for an exception to the Program. In either event, Tenant shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that Tenant demonstrate to the County's satisfaction that Tenant either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Tenant continues to qualify for an exception to the Program.
- D. Tenant's violation of this Section of the contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar Tenant from the award of future County contracts for a period of time consistent with the seriousness of the breach.

24. <u>Tenant's Charitable Activities Compliance</u>

The Supervision of Trustees and Fundraisers For Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring Tenants to complete the "Charitable Contributions Certificate" form included herewith, the Commission seeks to ensure that all Commission tenants that receive or raise charitable contributions comply with

California law in order to protect the Commission and its taxpayers. A Tenant that received or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings, or both.

FEDERAL LOBBYIST REQUIREMENTS

CERTIFICATION

Name of Firm:			Date:	
Ac	ddress:	_		
St	ate:	Zip Code:	Phone No.:	
Un	ited States Departmer immission/Housing Au No Federal appropri person for influencin Congress, an office connection with the	nt of Housing and Urban Develop thority/Housing Authority, Count ated funds have been paid, by g or attempting to influence an r or employee of Congress, of awarding of any Federal cont	ed Official, the following Certification to the pment (HUD) and the Community Develop y of Los Angeles: y or on behalf of the above named firm officer or employee of any agency, a Me or an employee of a Member of Congract, the making of any Federal grant, inuation, renewal, amendment, or moderal	oment to any mber o gress ir loan o
2)	for influencing or a Congress, an office connection with this	ttempting to influence an officer or employee of Congress of Federal contract, grant, loan, of ubmit Standard Form-LLL, "Disc	have been paid for or will be paid to any er or employee or any agency, a Mer or an employee of a Member of Congor cooperative agreement, the above namelosure Form to Report Lobbying," in according to the cooperative agreement.	mber o gress ir ned firm
3)	documents for all su	ub-awards at all tiers (including	age of this certification be included in the graph subcontracts, sub-grants, and contracts hat all sub-recipients shall certify and contracts.	s unde
Th	is certification is a mat	erial representation of fact upon	which reliance was placed when this tran	saction
wa	s made or entered into	o. Submission of this certificatio	n is a prerequisite for making or entering i	into the
tra	nsaction imposed by S	Section 1352 Title 31, U.S. Code	. Any person who fails to file the required	ł
cei	rtification shall be subj	ect to civil penalty of not less that	an \$10,000 and not more than \$100,000 fo	or each
su	ch failure.			
Au	thorized Official:			
Na	ıme:		Title:	
			Date:	

Form W-9 Department of the Treasury Internal Revenue Service

Request for Taxpayer **Identification Number and Certification**

Give form to the requester. Do not send to the IRS.

page 2.	Name		•
5	Business name, if different from above		
Print or type c Instructions	Check appropriate box: Sole proprietor Corporation Partnership Other		Exempt from backup withholding
Print o	Address (number, street, and apt. or suite no.)	Requester's name a	nd address (optional)
Specific	City, state, and ZIP code		
See S	List account number(s) here (optional)		
Part	Taxpayer Identification Number (TIN)		
Howe page	your TIN in the appropriate box. For individuals, this is your social security number (SSN), ver, for a resident alien, sole proprietor, or disregarded entity, see the Part I instruct 3. For other entities, it is your employer identification number (EIN). If you do not have a now to get a TIN on page 3.	ions on	security number
Note: to ent	If the account is in more than one name, see the chart on page 4 for guidelines on whose er.	number Employ	er identification number
Part	II Certification		

Under penalties of perjury, I certify that:

- 1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal
 Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has
 notified me that I am no longer subject to backup withholding, and
- 3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here	Signature of	
Here	U.S. person ▶	Date ►

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- 1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- 2. Certify that you are not subject to backup withholding,
- 3. Claim exemption from backup withholding if you are a U.S. exempt payee.

Note: If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Foreign person. If you are a foreign person, use the appropriate Form W-8 (see **Pub. 515**, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien.

Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to certified for certain types of income area offer the registering continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement that specifies the following five items:

- 1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
- 2. The treaty article addressing the income.
- 3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions
- 4. The type and amount of income that qualifies for the exemption from tax.
- 5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Form W-9 (Rev. 1-2003)

Cat. No. 10231X

Form W-9 (Rev. 1-2003)

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a **nonresident alien or a foreign entity** not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 30% of such payments (29% after December 31, 2003; 28% after December 31, 2005). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will **not** be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

- 1. You do not furnish your TIN to the requester, or
- 2. You do not certify your TIN when required (see the Part II instructions on page 4 for details), or
- 3. The IRS tells the requester that you furnished an incorrect TIN, or
- 4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
- You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of Federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your social security card on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line.

Other entities. Enter your business name as shown on required Federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line. Note: You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note: If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

Exempt payees. Backup withholding is **not required** on any payments made to the following payees:

- An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2);
- The United States or any of its agencies or instrumentalities;
- A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities;
- **4.** A foreign government or any of its political subdivisions, agencies, or instrumentalities; or
- An international organization or any of its agencies or instrumentalities.

Other payees that **may be exempt** from backup withholding include:

- 6. A corporation;
- 7. A foreign central bank of issue;
- A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States;

Form W-9 (Rev. 1-2003) Page 3

- A futures commission merchant registered with the Commodity Futures Trading Commission;
- 10. A real estate investment trust;
- An entity registered at all times during the tax year under the Investment Company Act of 1940;
- A common trust fund operated by a bank under section 584(a);
- 13. A financial institution;
- **14.** A middleman known in the investment community as a nominee or custodian; or
- 15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

If the payment is for	THEN the payment is exempt for
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt recipients 1 through 7 ²

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see How to get a TIN below.

If you are a **sole proprietor** and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner **LLC** that is disregarded as an entity separate from its owner (see **Limited liability company (LLC)** on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

Note: See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form on-line at www.ssa.gov/online/ss5.html. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an EIN. You can get Forms W-7 and SS-4 from the IRS by calling 1-800-TAX-FORM (1-800-829-3676) or from the IRS Web Site at www.irs.gov.

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

² However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are **not exempt** from backup withholding; medical and health care payments, attorneys' fees; and payments for services paid by a Federal executive agency.

Form W-9 (Rev. 1-2003) Page 4

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 3, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see **Exempt from backup withholding** on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

- 1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.
- 2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.
- 3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.
- 4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).
- 5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA or Archer MSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account 1
Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
 a. The usual revocable savings trust (grantor is also trustee) 	The grantor-trustee ¹
 b. So-called trust account that is not a legal or valid trust under state law 	The actual owner ¹
Sole proprietorship or single-owner LLC	The owner ³
For this type of account:	Give name and EIN of:
Sole proprietorship or single-owner LLC	The owner ³
A valid trust, estate, or pension trust	Legal entity ⁴
Corporate or LLC electing corporate status on Form 8832	The corporation
 Association, club, religious, charitable, educational, or other tax-exempt organization 	The organization
 Partnership or multi-member LLC 	The partnership
 A broker or registered nominee 	The broker or nominee
 Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments 	The public entity

¹List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA or Archer MSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, or to Federal and state agencies to enforce Federal nontax criminal laws and to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 30% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.



² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name, but you may also enter your business or "DBA" name. You may use either your SSN or EIN (if you have one).

⁴List first and circle the name of the legal trust, estate, or pension trust, (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)



AUTHORIZATION FOR BUSINESS CREDIT PROFILE

Name of Fire	m:		Date:	
Address:				
City:		State:	Zip Code:	
Phone No:	()		
Community Los Angeles financial bad as its Au Commission	Developments by a reputal ckground, stathorized Off Mousing Autin and financial	t Commission/Housing Aut ble credit agency to gain s bility and condition. Acting icial, I hereby authoriz thority/Housing Authority, al background.	isiness credit profile provided to hority/Housing Authority, Count atisfactory evidence of the bidd on behalf of the above named fe the Community Developm County of Los Angeles to ob	y o er's irm nen
	(print name)			
Signature:				
Title:			Date:	

TENANT'S EQUAL EMPLOYMENT OPPORTUNITY (EEO) CERTIFICATION

Tenant's Name	
Address	
Internal Revenue Service Employer Identification Number	
<u>GENERAL</u>	
The Tenant certifies and agrees that all persons employed by such subsidiaries, or holding companies are and will be treated equally regard to or because of race, religion, ancestry, national origi compliance with all anti-discrimination laws of the United States of State of California.	by the firm withou in, or sex and ir
TENANT'S CERTIFICATION	
 The tenant has a written policy statement prohibiting d phases of employment. 	iscrimination in al
The tenant periodically conducts a self-analysis or utiliza work force.	ition analysis of its
The tenant has a system for determining if its employr discriminatory against protected groups.	ment practices are
 Where problem areas are identified in employment pract has a system for taking reasonable corrective a establishment of goals and timetables. 	
Name and Title of Signer	
Signature	Date

COMMUNITY DEVELOPMENT COMMISSION TENANT EMPLOYEE JURY SERVICE PROGRAM APPLICATION FOR EXEMPTION AND CERTIFICATION FORM

The Community Development Commission's (Commission) solicitation for this contract/purchase order (Request for Proposal or Invitation for Bid) is subject to the Commission's Contractor Employee Jury Service Program (Program). All bidders or proposers, whether a contractor or subcontractor, must complete this form to either 1) request an exemption from the Program requirements or 2) certify compliance. Upon review of the submitted form, the Commission will determine, in its sole discretion, whether the bidder or proposer is exempted from the Program.

Company Name:	
Company Address:	
City:	State:
Zip Code:	
Telephone Number:	
Solicitation For (Type of Goods or Services):	

If you believe the Jury Service Program does not apply to your business, check the appropriate box in Part I (attach documentation to support your claim); or, complete Part II to certify compliance with the Program. Whether you complete Part I or Part II, please sign and date this form below.

Part I: Jury Service Program Is Not Applicable to My Business

- ☐ My business does not meet the definition of "contractor," as defined in the Program as it has not received an aggregate sum of \$50,000 or more in any 12-month period under one or more Commission contracts or subcontracts (this exemption is not available if the contract/purchase order itself exceeds \$50,000). I understand that the exemption will be lost and I must comply with the Program if my revenues from the Commission will exceed an aggregate sum of \$50,000 in any 12-month period.
- □ My business is a small business as defined in the Program. It 1) has ten or fewer employees; and, 2) has annual gross revenues in the preceding twelve months which, if added to the annual amount of this contract, is . \$500,000 or less; and, 3) is not an affiliate or subsidiary of a business dominant in its field of operation, as defined below. I understand that the exemption will be lost and I must comply with the Program if the number of employees in my business and my gross annual revenues exceed the above limits.
 - "Dominant in its field of operation" means having more than ten employees, including full-time and part-time employees, and annual gross revenues in the preceding twelve months, which, if added to the annual amount of the contract awarded, exceed \$500,000.
 - "Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation.
- ☐ My business is subject to a Collective Bargaining Agreement (attach agreement) that expressly provides that it supersedes all provisions of the Program.

Part II - Certification of Compliance

■ My business <u>has</u> and adheres to a written policy that provides, on an annual basis, no less than five days of regular pay for actual jury service for full-time employees of the business who are also California residents, or my company <u>will have</u> and adhere to such a policy prior to award of the contract.

I declare under penalty of perjury under the laws of the State of California that the information stated above is true and correct.

Print Nai	me:	Title:
Signatur	e:	Date:



CHARITABLE CONTRIBUTIONS CERTIFICATION

Company Name Address		
Internal Revenue Service Employer Identification Number		
California Registry of Charitable Trusts "CT" number (if applicable)		
The Nonprofit Integrity Act (SB 1262, Chapter 919) added requirements to C Supervision of Trustees and Fundraisers for Charitable Purposes Act, which those receiving and raising charitable contributions. CERTIFICATION		ates
Proposer or Tenant has examined its activities and determined that it does not now receive or raise charitable contributions regulated under California's Supervision of Trustees and Fundraisers for Charitable Purposes Act. If Proposer engages in activities subjecting it to those laws during the term of a Community Development Commission (CDC) and/or Housing Authority contract, it will timely comply with them and provide the CDC and/or Housing Authority a copy of its initial registration with the California State Attorney General's Registry of Charitable Trusts when filed.	(
OR	YES	NO
Proposer of Tenant is registered with the California Registry of Charitable Trusts under the CT number listed above and is in compliance with its registration and reporting requirements under California law. Attached is a copy of its most recent filing with the Registry of Charitable Trusts as required by Title 11 California Code of Regulations, sections 300-301 and Government Code sections 12585-12586.	(
Signature Date		
Name and Title (please type or print)		

Attachment 6 Program Guidelines

The South Central Farmers Health and Education Fund (SCFHEF), whose purpose is to preserve, maintain, acquire, and cultivate farm land in urban areas for the purpose of improving the health and welfare of individuals, families, and communities will operate the community garden located at 10500 S. Normandie Avenue. The services, activities and support provided by SCFHEF will include, but not be limited to, educational programs and activities related to urban farming techniques and strategies, healthy living and nutrition programs, services and activities to raise public awareness of the health and environmental benefits to local communities resulting from urban farming, the agricultural cultivation of urban farm land, the acquisition of property for the creation of urban farms, and other charitable activities associated with these goals.

Garden member selection shall be based on a USDA means test and compliance with CDBG program regulations. The means test will have two components. First, component will be a choice for senior tenants who reside in the senior affordable housing development within a ¼ mile of the garden (first tier members). Seniors shall provide income documentation and complete the attached forms contained in Attachment 4. The second component will make the plots available to members of the general community (second tier members).

The focus of the garden will be to be self-sustaining from member fees and grants acquired. Senior members will be charged a monthly fee of \$10.00 and a deposit of fee of \$10.00. The second tier members will be strictly based on the needs test per the income self certification and first come first serve. Second tier members will be charged a monthly fee of \$30.00 and a \$50.00 deposit. All garden members will be required to sign a release of liability and a garden contract.

Any changes to the amounts charged to members and garden contract must be approved in writing by Landlord. Tenant shall submit proposed changes to Landlord in writing 60 days prior to the proposed date of implementation for review and approval.